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HEALTH NETWORK

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CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

24 Hospital Ave.
Danbury, CT 06810
203.739.7000

WesternConnecticutHealthNetwork.org

May 25, 2011

Jeannette B. DeJesus, MPA, MSW
Deputy Commissioner
CT Office of Health Care Access
Department of Public Health
410 Capitol Avenue
MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: **Acquisition of Equipment from Newtown Diagnostic Imaging, L.L.C. by Danbury Health Care Affiliates, Inc.**

Dear Commissioner DeJesus:

Based on a February 11, 2011 determination, 11-31683-DTR, please find enclosed an Acquisition of Equipment Certificate of Need for Danbury Health Care Affiliates, Inc. (DHCA) to acquire and operate imaging equipment from Newtown Diagnostic Imaging, LLC (NDI), a free-standing imaging center located in Newtown, CT that provides MRI, CT-scan, ultrasound and general radiology services. DHCA intends to continue operations of the NDI facility in its current location at 153 S Main Street, Newtown, CT. DHCA would assume the lease for the space at this location and operate the facility in the same manner that it currently operates its Danbury Diagnostic Imaging and Ridgefield Diagnostic Imaging locations.

If you have any questions that the following submission does not answer, please contact me so that we may provide whatever additional information you need in your deliberations. I can be reached directly at 203-739-4903, or sally.herlihy@wcthealthnetwork.org.

Sincerely,

Sally F. Herlihy, FACHE
Vice President, Planning
Western Connecticut Health Network

cc: Enclosure



Acquisition of Equipment Application Checklist

- ☒ Attached is the CON application filing fee in the form of a certified, cashier or business check made out to the "Treasurer State of Connecticut" in the amount of \$500.

OHCA Verified by: leg Date: 5.26.11

- ☒ Attached is evidence demonstrating that proper public notice has been published in a suitable newspaper that relates to the location of the proposal.
- ☒ Attached is a completed affidavit, signed and notarized by the appropriate individuals.
- ☒ Submitted is a scanned copy of each submission in its entirety, including all attachments on CD, preferably in Adobe (.pdf) format.
- ☒ Submitted is an electronic copy of the documents on CD in MS Word format with financial attachments and other data as appropriate in MS Excel format.
- ☒ Attached are completed Financial Attachments I and II.
- ☒ Submitted CON application materials, including cover letter and all attachments, have been paginated in their entirety.
- ☒ Submission includes one (1) original and four (4) hard copies with each set placed in 3-ring binders.

6597101025

CASHIER'S CHECK

0055571 11-24
Office AU # 1210(8)

Operator I.D.: c001732 c001732

April 07, 2011

PAY TO THE ORDER OF ***TREASURER STATE OF CONNECTICUT***

***\$500.00**

Five hundred dollars and no cents

VOID IF OVER US \$ 500.00

Richard Levy
CONTROLLER

WELLS FARGO BANK, N.A.
210 MAIN ST
DANBURY, CT 06810
FOR INQUIRIES CALL (480) 394-3122

⑈6597101025⑈ ⑆121000248⑆4881 509560⑈

Security Features Included. Details on Back.

CONNPOST.com
CONNECTICUT POST

DANBURY NEWS TIMES

FROM THE DESK OF:

DIANE

LEGAL / PUBLIC NOTICES

TEL. 203 330 6213

FAX. 203 384 1158

EMAIL : publicnotices@ctpost.com - CT POST
legals@newstimes.com - NEWS TIMES

TO: Cendra

FAX NUMBER 39 1089

DATE: 3/15/11

SIGNED: Diane

Order Confirmation

Ad Order Number
0001617734

Sales Rep.
dseltani

Order Taker
dseltani

Order Source
E-mail

Customer
DANBURY HOSPITAL

Customer Account
197666

Customer Address
24 HOSPITAL AVENUE
DANBURY CT 06810 USA

Customer Phone
203-739-7919

Payer Customer
DANBURY HOSPITAL

Payer Account
197666

Payer Address
24 HOSPITAL AVENUE
DANBURY CT 06810 USA

Payer Phone
203-739-7919

PO Number

Ordered By
ANDREA

Customer Fax
203-739-1689

Customer Email
Andrea.Rynn@danhosp.org

Special Pricing
None

Tear Sheets 0 **Proofs** 0 **Affidavits** 0 **Blind Box** **Promo Type** **Materials**

Invoice Text

Ad Order Notes
(\$122.29 per day).

Net Amount	Tax Amount	Total Amount	Payment Method	Payment Amount	Amount Due
\$366.87	\$0.00	\$366.87		\$0.00	\$366.87

Ad Number	Ad Type	Ad Size	Color	Production Method	Production Notes
0001617734-0	Legal Liners	: 2.0 X 20 Li	<NONE>	AdBooker	
External Ad Number	Ad Attributes	Ad Released	Pick Up		
		No			

WARNING: Canceled

Product Information	Placement/Classification	Run Dates	# Inserts	Cost
Run Schedule Invoice Text	Sort Text			
Danbury News-Times::	Public Notices	3/17/2011, 3/18/2011, 3/19/2011	3	\$969.87
Danbury Healthcare Affiliates, Inc. ("DHCA")	DANBURYHEALTHCAREAFFILIATESINC	3/17/2011, 3/18/2011, 3/19/2011	3	\$3.00
newstimes.com::	Public Notices			
Danbury Healthcare Affiliates, Inc. ("DHCA")	DANBURYHEALTHCAREAFFILIATESINC			

Danbury Healthcare Affiliates, Inc. ("DHCA"), a subsidiary of Western Connecticut Healthcare, Inc., is filing an application for a Certificate of Need under section 19a-638(a)(8) of the Connecticut General Statutes with the Connecticut Office of Health Care Access for the acquisition and operation of equipment from Newtown Diagnostic Imaging, LLC ("NDI"). NDI is a free-standing imaging center located at 153 S Main St., Newtown, CT that provides MRI, CT-scan, ultrasound and general radiology services. DHCA intends to continue operations of the NDI facility at its current location under the same licensures used for its Danbury Diagnostic Imaging and Ridgefield Diagnostic Imaging locations. The cost of the project is \$1,200,000.

AFFIDAVIT

Applicant: **Danbury Health Care Affiliates, Inc.**

Project Title: **Acquisition of Equipment from Newtown Diagnostic Imaging by Danbury Health Care Affiliates, Inc.**

I, **John M. Murphy, MD, President & CEO of Western Connecticut Health Network**, being duly sworn, depose and state that Danbury Health Care Affiliates, Inc.'s information submitted in this Certificate of Need Application is accurate and correct to the best of my knowledge.

John M. Murphy
Signature

5/24/11
Date

Subscribed and sworn to before me on May 24, 2011

Shawn McKenna

Notary Public/Commissioner of Superior Court

My commission expires: 2/28/2015



State of Connecticut Office of Health Care Access Certificate of Need Application

Instructions: Please complete all sections of the Certificate of Need ("CON") application. If any section or question is not relevant to your project, a response of "Not Applicable" may be deemed an acceptable answer. If there is more than one applicant, identify the name and all contact information for each applicant. OHCA will assign a Docket Number to the CON application once the application is received by OHCA.

Docket Number:

Applicant: Danbury Health Care Affiliates, Inc.

Contact Person: Sally F. Herlihy, FACHE

Contact Person's Title: Vice President, Planning
Western Connecticut Health Network

Contact Person's Address: 24 Hospital Avenue
Danbury, CT 06810

Contact Person's Phone Number: 203-739-4903

Contact Person's Fax Number: 203-739-1974

Contact Person's Email Address: sally.herlihy@wcthealthnetwork.org

Project Town: Newtown, CT

Project Name: Acquisition of Equipment from Newtown Diagnostic Imaging by Danbury Health Care Affiliates, Inc. (affiliate of Western Connecticut Health Network)

Statute Reference: Section 19a-638, C.G.S.

Estimated Total Capital Expenditure: \$1,200,000

1. Project Description: Acquisition of Equipment

- a. Please provide a narrative detailing the proposal.

Newtown Diagnostic Imaging, L.L.C. (NDI) is a free-standing imaging center located in Newtown, CT that provides MRI, CT-scan, ultrasound and general radiology services. The Center is wholly-owned by Newtown Diagnostic Imaging, L.L.C.

Danbury Healthcare Affiliates, Inc. (DHCA), a wholly-owned tax-exempt subsidiary of Western Connecticut Health Network (WCH), is proposing to purchase NDI at a cost of \$1,200,000, which includes acquisition of a CT scanner and MRI scanner. DHCA intends to maintain imaging operations at the NDI facility at 153 S Main Street, Newtown, CT. DHCA would assume the lease for the space at this location and operate the facility in the same manner that it currently operates its Danbury Diagnostic Imaging and Ridgefield Diagnostic Imaging locations.

- b. Provide letters that have been received in support of the proposal.

See Attachment A

- c. Provide the Manufacturer, Model, Number of slices/tesla strength of the proposed scanner (as appropriate to each piece of equipment).

This proposal involves the acquisition of two pieces of equipment from NDI:

- **MRI Scanner – General Electric Signa V 1.5 Tesla**
- **CT Scanner - General Electric CT single slice**

- d. List each of the Applicant's sites and the imaging modalities and other services currently offered by location.

DHCA is an affiliate of WCH, which currently operates two imaging sites located in Danbury, CT (Danbury Diagnostic Imaging or DDI) and Ridgefield, CT (Ridgefield Diagnostic Imaging or RDI).

DDI: 21 Germantown Road, Danbury, CT 06810

Services provided include CT, MRI, ultrasound and diagnostic x-ray.

RDI: 901 Ethan Allen Highway, Ridgefield, CT 06877

Services provided include CT, MRI, ultrasound, diagnostic x-ray, mammography, and bone density.

See Attachment B for a copy of the WCH organizational chart which demonstrates the relationship between DHCA and the proposed new affiliate NDI.

2. Clear Public Need

- a. Explain why there is a clear public need for the proposed equipment. Provide evidence that demonstrates this need.

As the present DHCA facilities that provide imaging services continue to grow and move toward reaching capacity, an opportunity exists for Newtown area residents serviced at these locations to gain timely appointments in the new location closer to their residences in Newtown. This ability to decompress patient volume across the sites of care will enhance patient access for services.

- b. Provide the utilization of existing health care facilities and health care services in the Applicant's service area.

Please refer to Attachment C for CT and MRI exams activity at the DDI and RDI facilities. DHCA does not have access to other provider utilization figures.

- c. Complete **Table 1** for each piece of equipment of the type proposed currently operated by the Applicant at each of the Applicant's sites.

Table 1: Existing Equipment Operated by the Applicant

Provider Name Street Address Town, Zip Code	Description of Service *	Hours/Days of Operation **	Utilization *** 12-month period = 1/1/10-12/31/10
Danbury Diagnostic Imaging 20 Germantown Road Danbury, CT 06810	1.5 Tesla MRI (closed)	M and F: 7:30 am – 5 pm TU, W, TH: 7:30 am- 8 pm SAT: 8 am – 2 pm	3,847 exams
	32-slice CT Scanner	M - F: 7:30 am - 4:30 pm	6,091 exams
Ridgefield Diagnostic Imaging 901 Ethan Allen Highway Ridgefield, CT 06877	1.5 Tesla MRI (closed)	M and F: 7:30 am – 5 pm TU, W, TH: 7:30 am- 8 pm SAT: 8 am – 2 pm	3,302 exams
	32-slice CT Scanner	M - F: 7:30 am - 4:30 pm	3,403 exams

* Include equipment strength (e.g. slices, tesla strength), whether the unit is open or closed (for MRI)

** Days of the week unit is operational, and start and end time for each day; and

*** Number of scans/exams performed on each unit for the most recent 12-month period (identify period).

- d. Provide the following regarding the proposal's location:

- i. The rationale for locating the proposed equipment at the proposed site;

NDI is already an established provider at this Newtown location. Following acquisition, DHCA will continue to offer the existing MRI, CT-Scan, ultrasound and general radiology services. Additionally, this location will enhance convenience and access to DHCA's current Newtown patient base and through centralized scheduling functions help decompress other facilities, allowing for better access and faster service for all customers. No new services are being requested under this CON request. Any future expansion of

services will be considered under current CON regulations specific to imaging services and will be requested accordingly.

- ii. The population to be served, including specific evidence such as incidence, prevalence, or other demographic data that demonstrates need;

NDI currently provides imaging services for Newtown and surrounding towns, including Sandy Hook, Bethel, Southbury, and Danbury. These five towns represent three-fourths of total patient volume at this facility. It is anticipated the same population will be served under DHCA ownership, as DHCA and NDI currently serve patients in the same geographic area.

- iii. How and where the proposed patient population is currently being served;

Attachment D provides a breakdown of the total facility patient utilization from the proposed area that is presently being served at the Newtown, CT location currently operated by NDI.

- iv. All existing providers (name, address) of the proposed service in the towns listed above and in nearby towns;

Existing imaging providers located in the proposed service area are identified on Attachment E.

- v. The effect of the proposal on existing providers; and

There will be no change in the provision of diagnostic imaging services, and therefore no effect on existing providers for imaging services at this location. However, under DHCA ownership, the location will no longer provide cosmetic vein procedures that have been performed at this location by NDI.

- vi. If the proposal involves a new site of service, identify the service area towns and the basis for their selection.

Not Applicable.

- e. Explain why the proposal will not result in an unnecessary duplication of existing or approved health care services.

This proposal will not result in an unnecessary duplication of services as it will continue service to an existing patient base, with the existing imaging capacity in the service area.

3. Actual and Projected Volume

- a. Complete the following tables for the past three fiscal years ("FY"), current fiscal year ("CFY"), and first three projected FYs of the proposal, for each of the Applicant's existing and proposed

pieces of equipment (of the type proposed, at the proposed location only). In Table 2a, report the units of service by piece of equipment, and in Table 2b, report the units of service by type of exam (e.g. if specializing in orthopedic, neurosurgery, or if there are scans that can be performed on the proposed scanner that the Applicant is unable to perform on its existing scanners).

Table 2a: Historical, Current, and Projected Volume, by Equipment Unit

	Actual Volume (Last 3 Completed FYs)			CFY Volume*	Projected Volume (First 3 Full Operational FYs)**		
	FY 2008	FY 2009	FY 2010	FY 2011 (5 mths)	FY 2012	FY 2013	FY 2014
Scanner***							
DDI – CT	5,153	5,694	5,732	2,299	5,683	5,854	6,029
DDI – MRI	3,532	3,663	3,629	1,413	3,493	3,598	3,706
RDI – CT	2,365	2,741	3,082	1,313	3,246	3,343	3,442
DDI – MRI	2,360	2,471	2,925	1,307	3,231	3,328	3,428
NDI – CT					668	803	954
NDI – MRI					934	1,058	1,205
CT Subtotal			8,814	3,612	8,929	9,197	9,472
MRI Subtotal			6,554	2,720	6,724	6,926	7,133
Total	13,410	14,569	15,368	6,332	17,255	17,994	18,763

* For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than six months, report actual volume and identify the period covered.

** If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary.

*** Identify each scanner separately and add lines as necessary. Also break out inpatient/outpatient/ED volumes if applicable.

**** Fill in years. In a footnote, identify the period covered by the Applicant's FY (e.g. July 1-June 30, calendar year, etc.).

Table 2b: Historical, Current, and Projected Volume, by Type of Scan/Exam

	Actual Volume (Last 3 Completed FYs)			CFY Volume*	Projected Volume (First 3 Full Operational FYs)**		
	FY ****	FY ****	FY ****	FY ****	FY ****	FY ****	FY ****
Service type***							
Total							

* For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than six months, report actual volume and identify the period covered.

** If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary.

*** Identify each type of scan/exam (e.g. orthopedic, neurosurgery or if there are scans/exams that can be performed on the proposed piece of equipment that the Applicant is unable to perform on its existing equipment) and add lines as necessary.

**** Fill in years. In a footnote, identify the period covered by the Applicant's FY (e.g. July 1-June 30, calendar year, etc.).

Please refer to Attachments F for historical CT and MRI volumes, by type of scan/exam, at DDI, RDI and NDI.

- b. Provide a breakdown, by town, of the volumes provided in Table 2a for the most recently completed full FY.

Please refer to Attachment B for CT and MRI volume by town for DDI and RDI.

- c. Describe existing referral patterns in the area to be served by the proposal.

Existing referrals are generated by local Primary Care, Pediatric, Medical Subspecialists and Surgical Subspecialists.

- d. Explain how the existing referral patterns will be affected by the proposal.

Although we don't anticipate this to happen, we have prepared a going-forward pro-forma for the location that considers the potential of losing some loyal referring physicians through the transition.

- e. Explain any increases and/or decreases in volume seen in the tables above.

As indicated in question 3.d. above, the volume projections and the resulting pro-forma in the first year of operation have been mitigated to reflect the potential loss of previously loyal referring physicians. As stated, we do not anticipate this to happen, but it was an assumption that was included in the business model. Other volume reduction in the first year include any imaging procedures that were directly associated with cosmetic vein procedures that have been performed at this location by NDI (stated in 2.d.v. above).

- f. Provide a detailed explanation of all assumptions used in the derivation/calculation of the projected volume by scanner and scan type.

DDI and NDI annual growth projection of 3% for CT and MRI scans are based on historical market and clinical services growth at the DHCA's Danbury and Ridgefield sites.

NDI volume projections begin with FY 2012 and reflect status quo volumes during the transition year, with a ramp-up that coincides with expanded weekday hours in year two (3 ½ hours per day M-F = 17.5 hours/week) and further expansion to Saturday hours (8 hours) in year 3. Increased accessibility for patients will result from changes in the NDI schedule to match the hours of operation at both the DDI and RDI facilities by the end of the third year. The testing volume for CT scans represents 20% and 18% volume growth respectively in years 2 and 3, and the MRI volume growth is 14% and 12% respectively for years 2 and 3.

- g. Provide a copy of any articles, studies, or reports that support the need to acquire the proposed scanner, along with a brief explanation regarding the relevance of the selected articles.

Not Applicable.

4. Quality Measures

- a. Submit a list of all key professional, administrative, clinical, and direct service personnel related to the proposal. Attach a copy of their Curriculum Vitae.

DHCA will be providing the technical services at this location and will contract professional services through Danbury Radiology Associates, PC. DHCA, d/b/a as Newtown Diagnostic Imaging, will bill for the services provided at this location.

Please see Attachment G for Curriculum Vitaes of Jeet Sandhu M.D., Medical Director; ToniAnn Marchione, Director; and Joleen Dennison, Manager.

- b. Explain how the proposal contributes to the quality of health care delivery in the region.

DHCA is an affiliate of Western Connecticut Health Network (WCH), which currently operates five imaging locations through its various affiliates including DHCA, Danbury Hospital, and New Milford Hospital. Through its centralized scheduling capabilities and with the addition of this location, WCH will be able to offer its patients greater access, choice, and convenience as to where and when they can receive their imaging study throughout its imaging enterprise, without adding any additional imaging capacity to the service area.

5. Organizational and Financial Information

- a. Identify the Applicant's ownership type(s) (e.g. Corporation, PC, LLC, etc.).

DHCA is a Non-stock corporation, whose sole member is Western Connecticut Healthcare, Inc.

- b. Does the Applicant have non-profit status?

☐ Yes (Provide documentation) ☐ No

Yes, DHCA has non-profit status. Documentation is included in Attachment H.

- c. Provide a copy of the State of Connecticut, Department of Public Health license(s) currently held by the Applicant and indicate any additional licensure categories being sought in relation to the proposal.

Please see Attachment I for a copy of the current certificate of use for NDI.

- d. Financial Statements

- i. If the Applicant is a Connecticut hospital: Pursuant to Section 19a-644, C.G.S., each hospital licensed by the Department of Public Health is required to file with OHCA copies of the hospital's audited financial statements. If the hospital has filed its most recently completed fiscal year audited financial statements, the hospital may reference that filing for this proposal.

Financial Statements have been included in Attachment J. These statements have also been filed in the 2/28/2011 OHCA Annual Reporting.

- ii. If the Applicant is not a Connecticut hospital (other health care facilities): Audited financial statements for the most recently completed fiscal year. If audited financial statements do not exist, in lieu of audited financial statements, provide other financial documentation (e.g. unaudited balance sheet, statement of operations, tax return, or other set of books.)

Not Applicable.

- e. Submit a final version of all capital expenditures/costs as follows:

Table 3: Proposed Capital Expenditures/Costs

Medical Equipment Purchase	\$
Imaging Equipment Purchase	\$1,200,000
Non-Medical Equipment Purchase	
Land/Building Purchase *	
Construction/Renovation **	
Other Non-Construction (Specify)	
Total Capital Expenditure (TCE)	\$1,200,000
Medical Equipment Lease (Fair Market Value) ***	\$
Imaging Equipment Lease (Fair Market Value) ***	
Non-Medical Equipment Lease (Fair Market Value) ***	
Fair Market Value of Space ***	
Total Capital Cost (TCC)	\$
Total Project Cost (TCE + TCC)	\$1,200,000
Capitalized Financing Costs (Informational Purpose Only)	
Total Capital Expenditure with Cap. Fin. Costs	\$

* If the proposal involves a land/building purchase, attach a real estate property appraisal including the amount; the useful life of the building; and a schedule of depreciation.

** If the proposal involves construction/renovations, attach a description of the proposed building work, including the gross square feet; existing and proposed floor plans; commencement date for the construction/ renovation; completion date of the construction/renovation; and commencement of operations date.

*** If the proposal involves a capital or operating equipment lease and/or purchase, attach a vendor quote or invoice; schedule of depreciation; useful life of the equipment; and anticipated residual value at the end of the lease or loan term.

- f. List all funding or financing sources for the proposal and the dollar amount of each. Provide applicable details such as interest rate; term; monthly payment; pledges and funds received to date; letter of interest or approval from a lending institution.

The funding will be comprised of a loan issued by Danbury Hospital to its affiliate Danbury Health Care Associates, in the amount of \$1,200,000. Term of the loan will be at 7.5% interest per annum paid over a term of 60 months.

- g. Demonstrate how this proposal will affect the financial strength of the state's health care system.

Not Applicable: This proposal involves maintaining a provider of CT and MRI services in its current location.

6. Patient Population Mix: Current and Projected

- a. Provide the current and projected patient population mix (based on the number of patients, not based on revenue) with the CON proposal for the proposed program.

Table 4: Patient Population Mix

	Current** FY ***	Year 1 FY ***	Year 2 FY ***	Year 3 FY ***
Medicare*	25.6%	26.0%	26.0%	26.0%
Medicaid*	0.4%	0.3%	0.3%	0.3%
CHAMPUS & TriCare	0.1%	0.1%	0.1%	0.1%
Total Government	26.1%	26.4%	26.4%	26.4%
Commercial Insurers*	72.6%	72.1%	72.1%	72.1%
Uninsured	0.4%	0.5%	0.5%	0.5%
Workers Compensation	1.0%	1.0%	1.0%	1.0%
Total Non-Government	73.9%	73.6%	73.6%	73.6%
Total Payer Mix	100%	100%	100%	100%

* Includes managed care activity.

** New programs may leave the "current" column blank.

*** Fill in years. Ensure the period covered by this table corresponds to the period covered in the projections provided.

- b. Provide the basis for/assumptions used to project the patient population mix.

Payer mix was calculated using current DHCA experience plus projected NDI volume. NDI projected payer mix was determined using the current NDI experience.

7. Financial Attachments I & II

- a. Provide a summary of revenue, expense, and volume statistics, without the CON project, incremental to the CON project, and with the CON project. **Complete Financial Attachment I.** (Note that the actual results for the fiscal year reported in the first column must agree with the Applicant's audited financial statements.) The projections must include the first three full fiscal years of the project.

Please refer to Financial Attachment I in the Attachment section.

- b. Provide a three year projection of incremental revenue, expense, and volume statistics attributable to the proposal by payer. **Complete Financial Attachment II.** The projections must include the first three full fiscal years of the project.

Please refer to Financial Attachment II in the Attachment section.

- c. Provide the assumptions utilized in developing **both** Financial Attachments I and II (e.g., full-time equivalents, volume statistics, other expenses, revenue and expense % increases, project commencement of operation date, etc.).

Please refer to Financial Attachment II in the Attachment section.

- d. Provide documentation or the basis to support the proposed rates for each of the FYs as reported in Financial Attachment II. Provide a copy of the rate schedule for the proposed service(s).

The proposed rates for services provided at NDI will be identical to the rates offered at DHCA's existing 2 sites in Danbury and Ridgefield. Please refer to Attachment K.

- e. Provide the minimum number of units required to show an incremental gain from operations for each fiscal year.

Financial projections provide for incremental gain from operations in each fiscal year. However, calculating the minimum number of units required to breakeven would assume the same volume projections provided less 40 MRIs in Year 1, 200 MRIs in Year 2, and 325 MRIs in Year 3.

- f. Explain any projected incremental losses from operations contained in the financial projections that result from the implementation and operation of the CON proposal.

There are no incremental losses from operations as a result of this CON proposal.

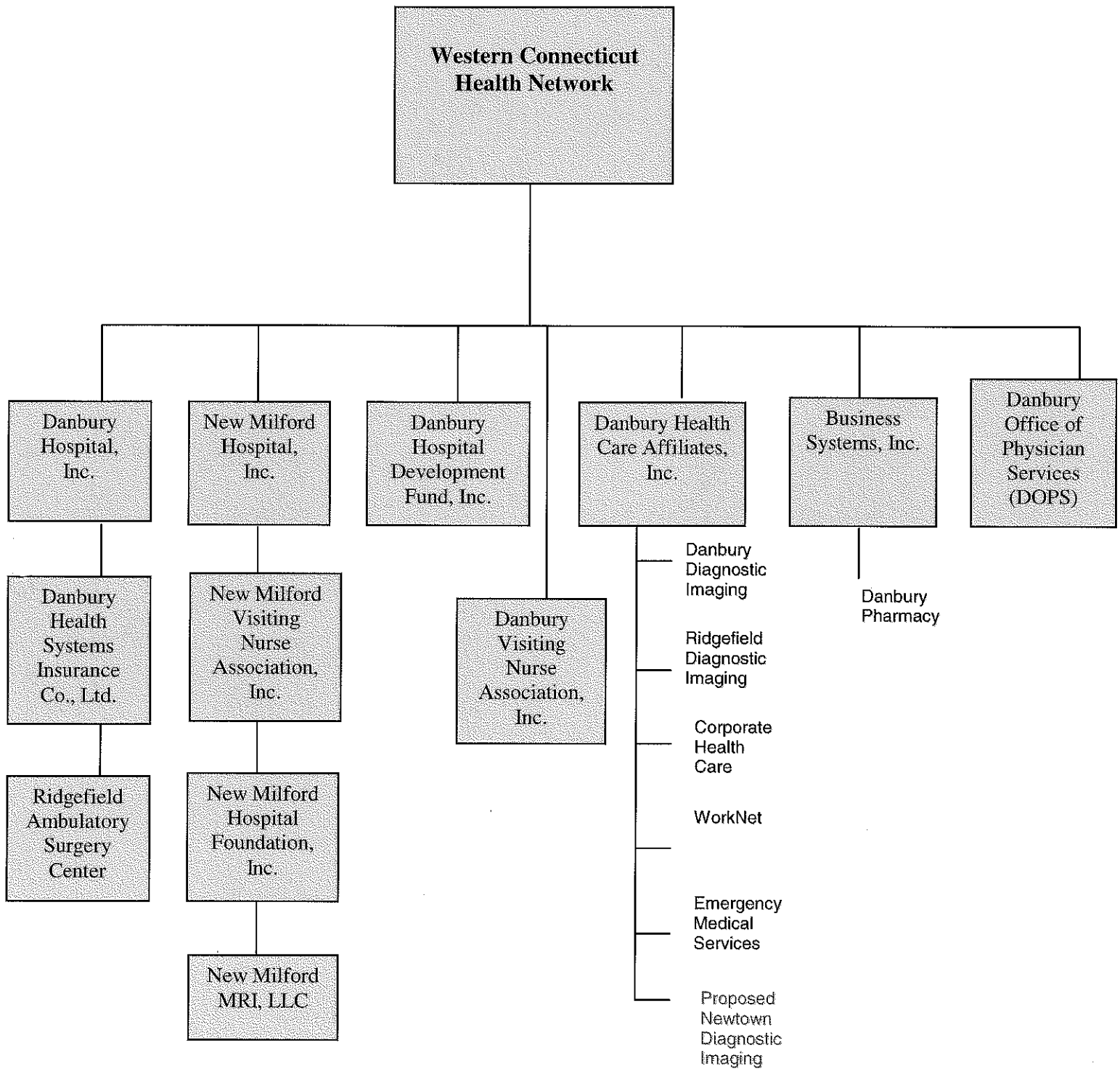
- g. Describe how this proposal is cost effective.

The current payers for services provided at NDI include Medicare, Medicaid, Commercial, and managed care organizations. It is not anticipated there will be any decrease in coverage provided by these payers, and potentially an expansion of payers will occur to enhance patient access.

List of Attachments

Attachment A	WCH organizational chart
Attachment B	Letter of Support
Attachment C	CT and MRI patient volume by town for DDI and RDI
Attachment D	Total facility patient volume by town for NDI
Attachment E	Area Imaging Providers
Attachment F	CT and MRI volume by scan type for DDI, RDI, and DDI
Attachment G	Curriculum Vitaes
Attachment H	DHCA non-profit status
Attachment I	NDI certificate of use
Attachment J	DHCA Financial Statements
Attachment K	Proposed NDI Rate Schedule
Financial Attachment I	Summary of Revenue, Expense and Volume Statistics
Financial Attachment II	Three Year Projection

Attachment A



Attachment B

Letter of Support



Patrick Broderick, M.D., F.A.C.E.P.
Chairman, Department of Emergency Medicine

Diplomate ABEM/ABIM
Adjunct Associate Professor Medicine/Emergency Medicine
New York Medical College

May 23, 2011

Jeannette B. DeJesus, MPA, MSW
Deputy Commissioner
CT Office of Health Care Access
Department of Public Health
410 Capitol Avenue
MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

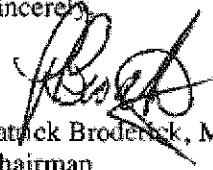
Re: Support for Acquisition of Newtown Diagnostic Imaging, L.L.C. by Danbury Health Care Affiliates, Inc.

Dear Commissioner De Jesus:

I am writing to you in support of the acquisition of Newtown Diagnostic Imaging, L.L.C. by Danbury Health Care Affiliates, Inc. As a physician for Western Connecticut Health Network, our mission is to serve our community by providing the highest quality care. Presently, our access for imaging services is hindered by a high capacity at our outpatient facilities. I believe by providing imaging in nearby Newtown, we will decompress the volume and this will allow for faster and more convenient service.

If you have any questions or concerns please contact me at 203-739-7405.

Sincerely,



Patrick Broderick, M.D., FACEP
Chairman
Department of Emergency Medicine

Attachment C

Danbury and Ridgefield Diagnostic Imaging CT Scan Volumes by Town

DDI - CT			
Location	FY2009	FY2010	FY2011
DANBURY CT 06810	1,219	1,246	498
DANBURY CT 06811	1,014	1,031	381
BROOKFIELD CT 06804	640	632	289
BETHEL CT 06801	636	542	243
NEW FAIRFIELD CT 06812	422	438	188
NEW MILFORD CT 06776	322	319	146
NEWTOWN CT 06470	241	285	120
SANDY HOOK CT 06482	183	205	85
SOUTHBURY CT 06488	153	193	96
SHERMAN CT 06784	78	66	19
RIDGEFIELD CT 06877	68	54	22
BREWSTER NY 10509	56	50	30
REDDING CT 06896	54	43	21
WOODBURY CT 06798	27	51	35
Subtotal	5,113	5,155	2,173
All Other Towns	529	586	266
TOTAL	5,642	5,741	2,439

RDI - CT			
Location	FY2009	FY2010	FY2011
RIDGEFIELD CT 06877	1,391	1,399	527
REDDING CT 06896	345	341	119
DANBURY CT 06810	148	212	82
DANBURY CT 06811	144	185	52
BETHEL CT 06801	87	153	46
BROOKFIELD CT 06804	74	130	39
NEW FAIRFIELD CT 06812	72	94	26
NEWTOWN CT 06470	44	47	22
NEW MILFORD CT 06776	26	71	20
WILTON CT 06897	44	52	19
SOUTH SALEM NY 10590	42	40	15
SANDY HOOK CT 06482	28	33	7
SOUTHBURY CT 06488	9	24	12
WESTON CT 06883	19	18	5
Subtotal	2,473	847	263
All Other Towns	241	319	129
TOTAL	2,714	1,166	392

Source: McKesson; sorted by zip code (patients not procedure volume); FY 11 is 6 months

Danbury and Ridgefield Diagnostic Imaging MRI Volumes by Town

DDI - MRI			
Location	FY2009	FY2010	FY2011
DANBURY CT 06810	728	720	355
DANBURY CT 06811	674	701	352
BROOKFIELD CT 06804	509	517	235
BETHEL CT 06801	458	426	200
NEW FAIRFIELD CT 06812	273	280	134
NEW MILFORD CT 06776	264	248	110
NEWTOWN CT 06470	145	151	77
SANDY HOOK CT 06482	91	91	45
SOUTHBURY CT 06488	49	55	24
REDDING CT 06896	50	43	18
SHERMAN CT 06784	38	42	14
RIDGEFIELD CT 06877	50	19	10
Subtotal	3,329	3,293	1,574
All Other Towns	360	339	161
TOTAL	3,689	3,632	1,735

RDI - MRI			
Location	FY2009	FY2010	FY2011
RIDGEFIELD CT 06877	1,352	1,350	507
REDDING CT 06896	317	328	129
DANBURY CT 06810	108	211	98
DANBURY CT 06811	107	178	62
BETHEL CT 06801	81	132	68
WILTON CT 06897	94	96	34
BROOKFIELD CT 06804	72	95	57
NEW FAIRFIELD CT 06812	48	78	29
SOUTH SALEM NY 10590	37	52	21
NEWTOWN CT 06470	31	45	29
NEW MILFORD CT 06776	21	54	26
SANDY HOOK CT 06482	22	34	15
Subtotal	2,290	2,653	1,075
All Other Towns	212	337	142
TOTAL	2,502	2,990	1,217

Source: McKesson; sorted by zip code (patients not procedure volume); FY 11 is 6 months

Attachment D

Newtown Diagnostic Imaging Patient Distribution

Distribution of Patients by Town		
Two-year period: 11/08-11/10		
(last patient analysis completed by NDI)		
Top 25 by Town = 95% of Total Patient Volume		
1	NEWTOWN, CT	4,309
2	SANDY HOOK, CT	2,598
3	BETHEL, CT	866
4	SOUTHBURY, CT	845
5	DANBURY, CT	767
6	BROOKFIELD, CT	408
7	NEW FAIRFIELD, CT	352
8	PAWLING, NY	272
9	NEW MILFORD, CT	245
10	WOODBURY, CT	210
11	MONROE, CT	170
12	REDDING, CT	147
13	OXFORD, CT	115
14	WATERBURY, CT	78
15	RIDGEFIELD, CT	71
16	ROXBURY, CT	52
17	MIDDLEBURY, CT	49
18	NAUGATUCK, CT	42
19	BRIDGEWATER, CT	38
20	SHERMAN, CT	38
21	EASTON, CT	37
22	BOTSFORD, CT	30
23	TRUMBULL, CT	26
24	SEYMOUR, CT	25
25	WATERTOWN, CT	22
	Subtotal	11,812
	ALL Other Towns	584
	Total	12,396

Attachment E

Existing Providers in Surrounding Towns

Housatonic Valley Radiology Associates

67 Sandpit Road
Danbury, CT

800 Main Street
Southbury, CT

131 Kent Road
New Milford, CT

Northeast Radiology Associates

73 Sandpit Road
Danbury, CT

385 Main Street
Southbury, CT

31 Old Route 7
Brookfield, CT (women's imaging only)

Danbury Healthcare Affiliates

21 Germantown Road
Danbury, CT

Danbury Hospital

101 Osborne Avenue
Danbury, CT

Attachment F

CT volume by scan type for DDI

Billing Code	Billing Code Description	FY 2008	FY 2009	FY 2010	FY 2011 (Through April)	FY 2011 Proj
71250	Ct thorax w/o dye	849	879	790	282	483
74160	Ct abdomen w/dye	511	718	925	264	487
72193	Ct pelvis w/dye	491	685	886	254	435
76377	3d rendering w/postprocess	564	530	418	240	411
74170	Ct abdomen w/o & w/dye	501	445	400	119	204
71260	Ct thorax w/dye	235	341	494	335	574
72194	Ct pelvis w/o & w/dye	411	333	315	74	127
74150	Ct abdomen w/o dye	343	376	314	84	144
72192	Ct pelvis w/o dye	337	378	300	82	141
70450	Ct head/brain w/o dye	240	257	225	91	156
70486	Ct maxillofacial w/o dye	227	199	179	94	161
72131	Ct lumbar spine w/o dye	125	120	83	29	50
70491	Ct soft tissue neck w/dye	62	104	102	72	123
74177	Ct abdomen&pelvis w/contrast				271	465
73700	Ct lower extremity w/o dye	49	64	38	32	55
73200	Ct upper extremity w/o dye	43	43	33	24	41
72125	Ct neck spine w/o dye	33	35	40	12	21
74178	Ct abd&pelv 1+ section/regns				108	185
74175	Ct angio abdom w/o & w/dye	6	15	28	34	58
74176	Ct abd & pelvis w/o contrast				74	127
70490	Ct soft tissue neck w/o dye	24	19	19	9	15
72128	Ct chest spine w/o dye	20	21	16	6	10
71275	Ct angiography chest	16	16	10	16	27
70480	Ct orbit/ear/fossa w/o dye	19	15	6	10	17
72191	Ct angiograph pelv w/o&w/dye	2	2	17	26	45
76376	3d render w/o postprocess	16	7	18		-
70460	Ct head/brain w/dye	7	5	14	10	17
70470	Ct head/brain w/o & w/dye	8	6	11	10	17
70481	Ct orbit/ear/fossa w/dye	4	5	7	5	9
70496	Ct angiography neck	1	4	6	7	12
71270	Ct thorax w/o & w/dye	6	6	5		-
73701	Ct lower extremity w/dye	1	7	3	6	9
70487	Ct maxillofacial w/dye	3	1	4	6	10
73201	Ct upper extremity w/dye	2		9	3	5
70496	Ct angiography head	1	3	5	4	7
73706	Ct angio lwr extr w/o&w/dye	1		4	6	10
76380	CAT scan follow-up study	4	2	2	2	3
70492	Ct sft tsue nck w/o & w/dye	2	1	3	3	6
73702	Ct lwr extremity w/o&w/dye		1	2	6	9
72132	Ct lumbar spine w/dye			4		-
72129	Ct chest spine w/dye			2		-
70482	Ct orbit/ear/fossa w/o&w/dye			1	1	2
73206	Ct angio upr extrm w/o&w/dye			1		-
72130	Ct chest spine w/o & w/dye		1			-
0066T	Ct colonography/screen			1		-
72133	Ct lumbar spine w/o & w/dye			1		-
Grand Total		5,164	5,644	5,741	2,729	4,678

MRI volume by scan type for DDI

Billing Code	Billing Code Description	FY 2008	FY 2009	FY 2010	FY 2011 (Through April)	FY 2011 Proj
73721	Mri jnt of lwr extre w/o dye	1,014	1,106	1,014	493	845
72148	Mri lumbar spine w/o dye	573	625	546	314	538
73221	Mri joint upr extrem w/o dye	433	507	530	293	502
72141	Mri neck spine w/o dye	293	295	294	146	250
70553	Mri brain w/o & w/dye	342	281	275	134	230
74183	Mri abdomen w/o & w/dye	134	125	191	114	195
70551	Mri brain w/o dye	102	147	108	92	158
72158	Mri lumbar spine w/o & w/dye	130	114	105	52	89
73718	Mri lower extremity w/o dye	97	87	114	63	108
72146	Mri chest spine w/o dye	57	61	53	26	45
72197	Mri pelvis w/o & w/dye	40	41	53	28	48
72156	Mri neck spine w/o & w/dye	43	49	43	26	45
73222	Mri joint upr extrem w/dye	45	47	27	19	33
70544	Mr angiography head w/o dye	26	25	39	19	33
72195	Mri pelvis w/o dye	19	32	37	17	29
73720	Mri lwr extremity w/o&w/dye	25	31	19	16	27
72157	Mri chest spine w/o & w/dye	19	29	24	17	29
73723	Mri joint lwr extr w/o&w/dye	32	18	13	11	19
73722	Mri joint of lwr extr w/dye	27	17	19	11	19
70543	Mri orbt/fac/neck w/o & w/dye	17	13	22	21	36
73218	Mri upper extremity w/o dye	22	15	23	13	22
74181	Mri abdomen w/o dye	10	10	15	14	24
70549	Mr angiograph neck w/o&w/dye	9	8	15	3	5
73223	Mri joint upr extr w/o&w/dye	11	6	15	2	3
73220	Mri uppr extremity w/o&w/dye	9	7	9	4	7
71550	Mri chest w/o dye	3	5	11	3	5
71552	Mri chest w/o & w/dye	8	3	2	4	7
70336	Magnetic image jaw joint	6	2	2	-	-
70547	Mr angiography neck w/o dye	1	1	2	4	7
70540	Mri orbit/face/neck w/o dye	-	-	5	-	-
70552	Mri brain w/dye	-	1	2	1	2
70546	Mr angiograph head w/o&w/dye	2	1	-	-	-
74185	Mri angio abdom w or w/o dye	2	1	-	-	-
72142	Mri neck spine w/dye	1	-	2	-	-
72149	Mri lumbar spine w/dye	1	-	1	-	-
72196	Mri pelvis w/dye	-	1	1	-	-
77059	Mri both breasts	-	-	1	-	-
72147	Mri chest spine w/dye	1	-	-	-	-
Grand Total		3,554	3,691	3,632	1,960	3,360

CT volume by scan type for RDI

Billing Code	Billing Code Description	FY 2008	FY 2009	FY 2010	FY 2011 (Through April)	FY 2011 Proj
74160	Ct abdomen w/dye	341	433	557	154	264
72193	Ct pelvis w/dye	324	425	543	144	247
71250	Ct thorax w/o dye	287	347	351	163	279
71260	Ct thorax w/dye	134	190	260	154	264
76377	3d rendering w/postprocess	134	199	203	129	221
70450	Ct head/brain w/o dye	114	151	178	88	151
70486	Ct maxillofacial w/o dye	162	161	134	64	110
74150	Ct abdomen w/o dye	137	168	153	39	67
72192	Ct pelvis w/o dye	131	161	156	41	70
74170	Ct abdomen w/o & w/dye	116	136	174	55	94
72194	Ct pelvis w/o & w/dye	75	96	115	34	58
70491	Ct soft tissue neck w/dye	45	46	50	38	65
74177	Ct abdomen&pelvis w/contrast				136	233
73200	Ct upper extremity w/o dye	27	21	28	27	45
73700	Ct lower extremity w/o dye	15	33	30	15	26
72131	Ct lumbar spine w/o dye	16	36	31	8	14
74175	Ct angio abdom w/o & w/dye	11	12	30	12	21
71275	Ct angiography chest	6	13	22	11	19
74176	Ct abd & pelvis w/o contrast				51	87
72125	Ct neck spine w/o dye	9	19	10	5	9
74178	Ct abd&pelv 1+ section/regns				36	62
70480	Ct orbit/ear/fossa w/o dye	8	16	10	1	2
70490	Ct soft tissue neck w/o dye	8	11	7	6	10
72191	Ct angiograph pelv w/o&w/dye	2	3	15	7	12
70460	Ct head/brain w/dye	2	5	14	4	7
70470	Ct head/brain w/o & w/dye	3	3	11	5	9
70492	Ct soft tissue neck w/o & w/dye	6	10	1	2	3
70481	Ct orbit/ear/fossa w/dye	4	2	6	2	3
70498	Ct angiography neck	2	2	4	3	5
72128	Ct chest spine w/o dye	4		6	1	2
73706	Ct angio lwr extr w/o&w/dye	2		4	4	7
70487	Ct maxillofacial w/dye	2	3	4	1	2
70496	Ct angiography head	2	1	2	3	5
73701	Ct lower extremity w/dye	1	4	3		-
73201	Ct upper extremity w/dye		2	3	1	2
71270	Ct thorax w/o & w/dye	3		2	-	-
70482	Ct orbit/ear/fossa w/o&w/dye		2	2		-
76376	3d render w/o postprocess	1		2		-
73702	Ct lwr extremity w/o&w/dye		1		1	2
70488	Ct maxillofacial w/o & w/dye		1		1	2
72129	Ct chest spine w/dye				1	2
72132	Ct lumbar spine w/dye				1	2
72133	Ct lumbar spine w/o & w/dye	1				-
72126	Ct neck spine w/dye	1				-
72127	Ct neck spine w/o & w/dye		1			-
Grand Total		2,136	2,714	3,121	1,448	2,482

MRI volume by scan type for RDI

Billing Code	Billing Code Description	FY 2008	FY 2009	FY 2010	FY 2011 (Through April)	FY 2011 Proj
73721	Mri jnt of lwr extre w/o dye	548	708	712	427	732
73221	Mri joint upr extrem w/o dye	310	337	374	236	405
72148	Mri lumbar spine w/o dye	240	318	365	212	363
70553	Mri brain w/o & w/dye	206	257	264	126	216
72141	Mri neck spine w/o dye	125	161	207	115	197
74183	Mri abdomen w/o & w/dye	90	141	161	107	183
70551	Mri brain w/o dye	62	105	144	86	147
73718	Mri lower extremity w/o dye	53	58	98	40	69
77059	Mri both breasts	2		124	87	149
72158	Mri lumbar spine w/o & w/dye	41	71	68	33	57
72197	Mri pelvis w/o & w/dye	24	32	56	29	50
72146	Mri chest spine w/o dye	22	34	45	30	51
73222	Mri joint upr extrem w/dye	30	27	40	23	39
70544	Mr angiography head w/o dye	18	30	47	17	29
72156	Mri neck spine w/o & w/dye	26	30	37	18	31
70543	Mri orbit/face/neck w/o & w/dye	23	23	27	14	24
72195	Mri pelvis w/o dye	7	19	29	19	33
72157	Mri chest spine w/o & w/dye	14	14	16	15	26
73723	Mri joint lwr extr w/o&w/dye	13	17	14	10	17
73218	Mri upper extremity w/o dye	13	16	14	11	19
73720	Mri lwr extremity w/o&w/dye	11	19	18	4	7
70549	Mr angiograph neck w/o&w/dye	8	14	24	5	9
74181	Mri abdomen w/o dye	6	14	19	8	14
73722	Mri joint of lwr extr w/dye	10	15	10	2	3
74185	Mri angio abdom w or w/o dye	3	8	17	4	7
71552	Mri chest w/o & w/dye	2	6	11	5	9
73223	Mri joint upr extr w/o&w/dye	8	7	6	2	3
73220	Mri uppr extremity w/o&w/dye	4	7	6	3	5
77058	Mri one breast	3	3	11		-
71550	Mri chest w/o dye	2	3	7	3	6
71555	Mri angio chest w or w/o dye		4	5	5	9
70547	Mr angiography neck w/o dye	2		3	2	3
70540	Mri orbit/face/neck w/o dye	4	1	1	1	2
72198	Mr angio pelvis w/o & w/dye		1	3	1	2
70552	Mri brain w/dye	2		1	1	2
72149	Mri lumbar spine w/dye	2	2			-
70548	Mr angiography neck w/dye	1		2		-
74182	Mri abdomen w/dye	3				-
73719	Mri lower extremity w/dye	2				-
72142	Mri neck spine w/dye			2		-
70336	Magnetic Image jaw joint				1	2
70546	Mr angiograph head w/o&w/dye				1	2
72147	Mri chest spine w/dye			1		-
70542	Mri orbit/face/neck w/dye			1		-
72196	Mri pelvis w/dye	1				-
Grand Total		1,941	2,502	2,990	1,703	2,919

CT and MRI volume by scan type for NDI – FY 2010

CPT	DESCRIPTION	QTY
74170	CT ABDOMEN WITH AND WITHO	33
74160	CT ABDOMEN WITH CONTRAST	129
74150	CT ABDOMEN WITHOUT CONTRA	46
72125	CT CERVICAL SPINE WITHOUT	4
70450	CT HEAD OR BRAIN W/O CONT	87
70470	CT HEAD OR BRAIN WITH & W	3
70460	CT HEAD OR BRAIN WITH CON	3
73700	CT LOWER EXTREMITY WITHOU	6
72131	CT LUMBAR SPINE WITHOUT C	6
70486	CT MAXILLOFACIAL WITHOUT	31
70480	CT ORBIT/SELLA/FOSSA EAR	1
72194	CT PELVIS WITH AND WITHOU	8
72193	CT PELVIS WITH CONTRAST	141
72192	CT PELVIS WITHOUT CONTRAS	44
70491	CT SOFT TISSUE NECK WITH	17
70492	CT SOFT TISSUE NECK WITH	1
70490	CT SOFT TISSUE NECK WITHO	3
72128	CT THORACIC SPINE WITHOUT	2
71270	CT THORAX WITH AND WITHOU	2
71260	CT THORAX WITH CONTRAST	54
71250	CT THORAX WITHOUT CONTRAS	141
73200	CT UPPER EXTREMITY WITHOU	4
74183	MRI ABDOMEN WITH AND WITH	9
74181	MRI ABDOMEN WITHOUT CONTR	1
70553	MRI BRAIN WITH AND WITHOU	75
70552	MRI BRAIN WITH CONTRAST	1
70551	MRI BRAIN WITHOUT CONTRAS	45
72156	MRI CERVICAL SPINE WITH A	4
72142	MRI CERVICAL SPINE WITH C	1
72141	MRI CERVICAL SPINE WITHOU	80
73721	MRI JOINT LOWER EXTREMITY	366
73723	MRI JOINT LOWER EXTREMITY	8
73722	MRI JOINT LWR EXTREMITY W	2
73223	MRI JOINT UPPER EXTREM W	2
73221	MRI JOINT UPPER EXTREMITY	194
73718	MRI LOWER EXTREM NON-JOIN	35
73720	MRI LOWER EXTREM NON-JOIN	10
72158	MRI LUMBAR SPINE WITH AND	22
72148	MRI LUMBAR SPINE WITHOUT	156
70542	MRI ORBIT FACE NECK W/CON	1
70543	MRI ORBIT FACE NECK WITH	3
70540	MRI ORBIT FACE NECK WITHO	1
72197	MRI PELVIS WITH AND WITHO	14
72196	MRI PELVIS WITH CONTRAST	1
72195	MRI PELVIS WITHOUT CONTRA	12
72157	MRI THORACIC SPINE WITH A	4
72146	MRI THORACIC SPINE WITHOU	8
73218	MRI UPPER EXT OTHER THAN	7
73220	MRI UPPEREXTREM NON-JOINT	1

Attachment G

Fatejeet Singh Sandhu, M.D.
Danbury Hospital Department of Radiology, 3rd Floor
24 Hospital Ave, Danbury, CT 06810
Office (203) 797-7291

Current Appointment

Chairman, Department of Radiology, Danbury Hospital, Danbury CT, 3/2011-Present
Attending Radiologist, Danbury Radiological Associates, Danbury CT, 7/2002- Present
Attending Radiologist, Putnam Imaging Associates, Putnam Hospital, Carmel, NY 1/2003- present

Past Appointments

Attending Physician, Department of Radiology, University of North Carolina Hospitals, Chapel Hill, NC 1996-2002
Assistant Professor of Radiology, Section of Vascular and Interventional Radiology, University of North Carolina, 1996-2002
Chief, Interventional Radiology, San Francisco General Hospital, 1993-1996
Assistant Director, Vascular Access Clinic, San Francisco General Hospital, 1993-1996
Attending Physician, VA Medical Center, San Francisco, CA 1992-1993
Attending Physician, Mt. Zion Hospital, San Francisco, CA 1991-1992

Post Graduate Medical Training

Interventional Radiology Fellowship 1992-1993
Emory Hospital/ Grady Hospital
Emory University School of Medicine, Atlanta, GA

Body Imaging Fellowship 1991-1992
San Francisco General Hospital
University of California, San Francisco

Radiology Resident 1987-1991
University of California, San Francisco

Internal Medicine Internship 1986-87
Yale University School of Medicine, New Haven, CT

Medical Education

Emory University School of Medicine, Atlanta, GA
Doctor of Medicine, June 1986.

Undergraduate Education

Duke University, Durham, NC
B.A. Chemistry with Biological Specialization

Honors and Awards

Phi Eta Sigma, 1981
Phi Beta Kappa, 1982
Magna Cum Laude Duke University, 1982
Alpha Omega Alpha, 1985
Lange Book Award, Awarded to the most Outstanding Medical Student, 1986
Cum Laude Emory University, 1986
Hideyo Minagi Award, Outstanding Teacher of the Year Award, 1995
Distinguished Reviewer Award, Journal of Vascular and Interventional Radiology, 1996, 1997
Outstanding Workshop Faculty Member, SCVIR Annual Meeting, 1997, 1998
Charles Bream Award, Outstanding Teacher of the Year Award, 1999
Distinguished Faculty Award, SVIR Annual Meeting, 2000

Licensure and Certification

American Board of Radiology, 1991
CAQ, Vascular and Interventional Radiology, 1996, Recertified 2006
Connecticut State License
New York State License
California State License
Georgia State License
North Carolina State License

Memberships

American College of Radiology
American Roentgen Ray Society
Connecticut Radiological Society
Radiological Society of North America
Society of Interventional Radiology

Selected Publications

Sandhu JS, Goodman PC: "Pulmonary cysts associated with pneumocystis carinii pneumonia in patients with AIDS." *Radiology* 173:33-35, 1989.

Sandhu JS, Dillon WP: "MR demonstration of leukoencephalopathy associated with mitochondrial encephalomyopathy: a case report." *AJNR* 12: 375-79, 1991.

Sandhu JS, Wilson MW: "Use of a stone basket to treat lysis- resistant clot after pulse- spray thrombolysis of an occluded hemodialysis graft." *AJR*. 163: 957-959, 1994.

Cello JP, Ring EJ, Olcott EW, Koch J, Gordon R, **Sandhu J**, Morgan DR, Ostroff JW, Rockey DC, LaBerge J, Lake JR, Somberg K, Doherty C, Davila M, McQuaid K, Wall SD: "Endoscopic Sclerotherapy versus percutaneous transjugular intrahepatic portosystemic shunt (TIPS) after initial sclerotherapy in cirrhotic patients with acute variceal hemorrhage: a randomized controlled trial." *Ann Intern Med.* 1997; 126: 858-865.

Gordon RL, Ahl KL, Kerlan RK, Wilson MW, LaBerge JM, **Sandhu JS**, Ring EJ, Welton ML: "Selected arterial embolization for the control of lower gastrointestinal bleeding." *Am Journal of Surgery.* 1997; 14: 24-28.

Toni Ann Marchione L.R.T. (M)

Education Florida Hospital College of Health Sciences, Orlando, Fla.
BS – Radiologic Science 2012

United Hospital School of Radiology
Port Chester, NY
Certification in Radiologic Technology

Work Experience **Danbury Hospital, Danbury, CT**

Director of Diagnostic Services	2010 – Present
Manager of Operations (Rad)	2007 – 2010
Manager RDI – Imaging Facility	2006 - 2007

Rye Radiology Associates, Rye Brook, NY

Assistant Administrator	2003 – 2006
Chief Technologist	1998 – 2003
Floor Supervisor	1995 – 1998
Staff Technologist	1993 – 1995

Professional Member, American Society of Radiologic Technologists

Joleen Dennison, RT

Education	Danbury Hospital School of Radiologic Technology, Danbury, CT Radiology Technologist Certificate-1988
Work Experience	Danbury Health Systems, Danbury, CT Manager, Operations Ridgefield Diagnostic Imaging 2009- present Manager, Operations Danbury Diagnostic Imaging 2008-present Assistant Manager, Operations Danbury Diagnostic Imaging 2004-2008 CT Scan, Supervisor 1998-2004 Staff Technologist CT Scan 1990-1998 Staff Technologist X-ray 1988-1990 Technologist Aide 1986-1988
Professional	Member, American College of Radiology Member, AHRA-Association for Medical Imaging Management Certified/Licensed Radiological Technologist

Responsibilities and experience including volume budget planning, department spending, oversee day-to-day facility operation, compliance, relationship with outside billing company, work with Radiology Management at Danbury Hospital, direct technical and front-end reports: Radiologic Technologists and Customer Service Representatives, support and assist Technologists in clinical area.

Attachment H

Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date:

DANBURY HEALTH CARE AFFILIATES INC
24 HOSPITAL AVE
DANBURY CT 06810-6099

Person to Contact:

Tracy Garrigus #31-07307
Toll Free Telephone Number:
877-829-5500
Employer Identification Number:
22-2594968

Dear Sir or Madam:

This is in response to your request of August 8, 2006, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in August 1985 that recognized you as exempt from Federal income tax. Our records further indicate that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

Cindy Westcott
Manager, Exempt Organizations
Determinations

Attachment I



STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION
79 Elm Street
Hartford, CT 06106-5127
www.ct.gov/dep

Certificate of Use

Issued To

Newtown Diagnostic Imaging

For

Diagnostic and Therapeutic X-Ray Device Registration

**Arney Marrella
Commissioner**

Facility Information:

Newtown Diagnostic Imaging
153 S Main St.
Newtown, CT 06470

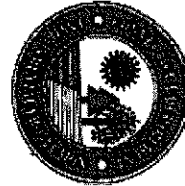
Reference: Renewing Fac; Id # 04518 (3 X-Ray
devices) 153 S. Main St. Newtown, Ct.
06470

**Reg. #: 4518
(aka Facility ID#)**

Application No: 201006518

Issue Date: 12/22/2010

Expiration Date: 4/30/2012



STATE OF CONNECTICUT



DEPARTMENT OF ENVIRONMENTAL PROTECTION
BUREAU OF AIR MANAGEMENT
DIVISION OF RADIATION

Newtown Diagnostic Imaging
153 South Main Street
Newtown, Connecticut 06470

Date of compliance: 12/22/10

The above facility appeared to be in compliance with pertinent sections of the State of Connecticut, Department of Environmental Protection, Administrative Regulations section 19-26-1 through 19-26-11 for X-ray Devices used for Diagnosis and Therapy.

79 ELM STREET
HARTFORD, CT 06106-5127

Jennifer Chilton
Jennifer Chilton, B.S. R.T. (R) (M)
RADIATION CONTROL INSPECTOR

Attachment J

Danbury Health Care Affiliates, Inc.

**Comparative Financial Statements
(Unaudited)**

Periods Ending

September 30 , 2010 and 2009

Danbury Health Care Affiliates, Inc.

**Comparative Financial Statements
(Unaudited)**

Periods Ending September 30 , 2010 and 2009

Contents

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Introduction

The Danbury Health Care Affiliates, Inc (DHCA) financial statements and notes included in the following pages, one through eight, were prepared by management for internal use only and are not audited. It has been management's intent to follow Generally Accepted Accounting Principles (GAAP), where possible. However, the primary use of these statements is for the internal use of management for DHCA and no independent review has been made to determine that all financial reporting is in compliance with GAAP. These statements should not be relied on by any outside party to extend credit on them.

Danbury Health Care Affiliates, Inc.

Financial Highlights
(Unaudited)

Periods Ending September 30, 2010 and 2009

CURRENT MONTH				YEAR-TO-DATE		
Actual	Budget	Prior		Actual	Budget	Prior
\$210,558	\$31,372	(\$85,744)	Income (Losses) from Operations	\$1,252,332	\$375,443	\$523,257
\$210,558	\$31,372	(\$85,744)	Excess Revenue (Expenses)	\$1,252,332	\$375,443	\$523,257
			Key Performance Indicators:			
14.8%	2.5%	(7.7%)	Operating Income (Loss) % of Net Revenue	8.0%	2.5%	3.7%
14.9%	2.5%	(7.6%)	Net Income (Loss) % of Net Revenue	8.0%	2.5%	3.7%
36.1%	46.9%	44.6%	Salaries and Benefits as a % of Net Revenue	42.2%	46.7%	43.5%
\$ 82,183	\$ 93,522	\$ 76,670	Average Annual Salaries and Benefits per FTE	\$ 84,874	\$ 94,106	\$ 79,583
1,246	1,119	1,099	Corporate Health Care: Total Visits	12,730	13,430	12,216
264	319	362	Worknet: Total Visits	3,303	3,821	3,153
301	300	297	DDI:			
457	462	439	MRI's	3,629	3,657	3,686
239	231	154	CT's	5,732	5,654	5,601
673	630	645	Ultrasound	2,823	2,805	2,479
64	69	60	Xray's	8,151	8,025	7,832
			Other/Surgical Procedures	854	840	818
1,734	1,692	1,595	Total Procedures	21,189	20,980	20,416
229	210	247	RDI:			
255	252	221	MRI's	2,925	2,590	2,484
311	147	153	CT's	3,082	2,973	2,676
289	294	294	Ultrasound	2,769	1,845	1,574
282	210	217	Xray's	3,387	3,692	3,214
87	68.23	74	Other/Surgical Procedures	3,009	2,550	2,420
1,453	1,181	1,206	Mammography	1,078	830.39	923
			Total Procedures	16,250	14,460	13,291
639	547	536	Ambulance Transports	6978	6795	6662
75.0	74.5	77.8	FTEs	77.7	74.5	77.5
\$ 331,809	\$ 147,852	\$ 29,274	EBIDA (excludes Non-Operating Income)	\$ 2,737,854	\$ 1,822,364	\$ 1,960,492
23.3%	11.9%	2.6%	Percent to Total Net Revenue	17.5%	12.1%	13.8%

The accompanying notes are an integral part of the financial statements.

Danbury Health Care Affiliates, Inc.

Statements of Financial Position **(Unaudited)**

	September 30, 2010	August 30, 2010	September 30, 2009
ASSETS:			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,442,013	\$ 1,416,980	\$ 697,295
Accounts Receivable-Net Allowances	1,686,460	1,490,034	1,403,957
Prepaid Expenses	45,723	117,714	140,200
Total Current Assets	<u>3,174,196</u>	<u>3,024,728</u>	<u>2,241,452</u>
Fixed Assets, at Cost	9,915,042	9,900,989	9,712,148
(Less): Accumulated Depreciation	<u>(7,047,677)</u>	<u>(6,935,456)</u>	<u>(5,713,494)</u>
Fixed Assets, Net	<u>2,867,365</u>	<u>2,965,533</u>	<u>3,998,654</u>
TOTAL ASSETS	<u><u>\$ 6,041,561</u></u>	<u><u>\$ 5,990,261</u></u>	<u><u>\$ 6,240,106</u></u>
LIABILITIES AND NET ASSETS:			
CURRENT LIABILITIES:			
Accrued Salaries	\$ 306,972	\$ 274,493	\$ 283,599
Accounts Payable	330,106	321,370	340,480
Accrued Expenses	(119,164)	(107,887)	23,626
Current Portion of Long Term Debt	1,337,769	1,329,460	1,241,396
Due To Affiliates	<u>374,766</u>	<u>457,819</u>	<u>459,032</u>
Total Current Liabilities	<u>2,230,449</u>	<u>2,275,255</u>	<u>2,348,133</u>
Other Liabilities	8,500	8,500	8,500
Long Term Debt, Less Current Portion	-	115,341	1,337,769
TOTAL LIABILITIES	<u>2,238,949</u>	<u>2,399,096</u>	<u>3,694,402</u>
NET ASSETS-END OF PERIOD	<u>3,802,612</u>	<u>3,591,165</u>	<u>2,545,704</u>
LIABILITIES AND NET ASSETS	<u><u>\$ 6,041,561</u></u>	<u><u>\$ 5,990,261</u></u>	<u><u>\$ 6,240,106</u></u>

The accompanying notes are an integral part of the financial statements.

Danbury Health Care Affiliates, Inc.

Summary of Operations and Change in Net Assets (Unaudited)

Periods Ending September 30, 2010 and 2009

CURRENT MONTH

	Actual	Budget	Prior
\$	1,395,153	\$ 1,220,944	\$ 1,103,929
	27,888	16,707	11,276
	<u>1,423,041</u>	<u>1,237,651</u>	<u>1,115,205</u>
	412,099	434,201	381,037
	101,801	146,416	115,880
	275,505	271,741	289,314
	4,056	4,106	4,056
	-	(4,334)	-
	-	772	(68)
	29,628	23,712	29,505
	64,364	71,877	108,593
	1,766	4,163	7,263
	13,609	9,550	6,344
	45,082	38,583	31,573
	112,221	107,450	111,255
	7,155	20,096	24,562
	3,349	2,148	4,207
	9,030	9,030	3,763
	6,901	9,695	12,496
	7,424	7,708	7,575
	118,493	49,365	64,594
	<u>1,212,463</u>	<u>1,206,279</u>	<u>1,200,949</u>
	210,556	\$ 31,372	(85,744)
	889		1,215
	<u>211,447</u>		<u>(84,529)</u>
	-		-
	<u>\$ 211,447</u>		<u>\$ (84,529)</u>

The accompanying notes are an integral part of the financial statements.

YEAR-TO-DATE

	Actual	Budget	Prior
\$	15,436,649	\$ 14,819,461	\$ 14,025,986
	201,639	200,500	155,368
	<u>15,638,288</u>	<u>15,019,961</u>	<u>14,181,354</u>
	5,058,475	5,241,689	4,871,945
	1,538,073	1,769,180	1,295,698
	3,328,122	3,312,067	3,185,876
	48,672	49,548	48,672
	-	(51,521)	-
	-	9,322	(813)
	243,207	288,331	258,733
	896,224	872,383	867,598
	18,953	50,019	52,522
	105,165	115,262	93,589
	482,210	466,576	457,351
	1,334,182	1,295,581	1,334,361
	244,102	244,973	179,353
	47,440	25,902	36,037
	151,340	151,340	102,874
	82,563	117,294	93,144
	89,092	92,925	90,900
	708,136	593,647	690,157
	<u>14,385,956</u>	<u>14,644,518</u>	<u>13,658,097</u>
	1,252,332	\$ 375,443	523,257
	4,576		2,146
	<u>1,256,908</u>		<u>525,403</u>
	2,545,704		2,020,301
	<u>\$ 3,802,612</u>		<u>\$ 2,545,704</u>

Danbury Health Care Affiliates , Inc.**Statements of Cash Flow
(Unaudited)****Periods Ending September 30 , 2010 and 2009**

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES AND NON-OPERATING REVENUE:		
Change in Net Assets	\$ 1,256,908	\$ 525,403
Non Cash Expenses and Revenue Included in Income From Operations:		
Depreciation and Amortization	1,334,182	1,334,361
Provision for Uncollectible Accounts	244,102	179,353
Change in Assets and Liabilities:		
(Increase) in Net Accounts Receivable	(526,605)	(341,489)
Decrease (Increase) in Prepaid Expenses	94,477	(43,528)
Increase in Accrued Salaries	23,373	10,269
Increase (Decrease) in Accounts Payable	(10,374)	115
(Decrease) in Accrued Expenses	(142,790)	(27,545)
(Decrease) in Inter-Company Payables	(84,266)	(46,486)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,189,007</u>	<u>1,590,453</u>
INVESTING ACTIVITIES:		
Change in Property, Plant and Equipment - Net	(202,893)	(194,753)
NET CASH (USED) BY INVESTING ACTIVITIES	<u>(202,893)</u>	<u>(194,753)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
(Decrease) in Long- Term Debt	(1,241,396)	(1,177,215)
NET CASH (USED) BY FINANCING ACTIVITIES	<u>(1,241,396)</u>	<u>(1,177,215)</u>
NET INCREASE IN CASH	744,718	218,485
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	697,295	478,810
CASH & CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,442,013</u>	<u>\$ 697,295</u>

The accompanying notes are an integral part of the financial statements.

Danbury Health Care Affiliates, Inc.
Notes to the Financial Statements
(Unaudited)

September 30, 2010

1. Summary of Significant Accounting Policies

Organization

Danbury Health Care Affiliates (DHCA) is a not-for-profit, 501 (c) (3) Corporation. DHCA received its favorable ruling from the IRS on August 27, 1985. It operates healthcare programs, which complements the Hospital's services but which are more appropriately provided by other than an acute care hospital.

At the present time, DHCA operates the following services (or cost centers) for the benefit of the Danbury Hospital, its employees, medical staff and the Danbury area residents and business community:

Administration

Provides administrative and financial services for DHCA. The charges for these services are subsequently charged to the applicable DHCA service centers and other DHS entities. The charges are recorded as a credit to expense and set each fiscal year at a budgeted amount intended to allow the administration service to break even.

Worknet

A service that provides work related rehabilitation and recovery services to the community.

Employee Health

The Employee Health Service is operated on the Hospital campus. It is operated under a contract with the Hospital to provide medical services for employees. The Employee Health Center receives a monthly payment, which is budgeted to breakeven over the fiscal year.

Corporate Health

Corporate Health serves the business community by providing company specific health services to the employees of corporate entities in the Danbury area that do not wish to employ their own health service staff on a full time basis. Corporate Health serves the companies with which it contracts at several locations in the area or they will provide staff on site.

DDI

Danbury Diagnostic Imaging (DDI) is a freestanding out-patient imaging center, offering state-of-the-art High Field Strength MRI, Spiral CAT Scanning, Ultrasound and Computerized X-Ray/Fluoroscopy.

RDI

Ridgefield Diagnostic Imaging (RDI) is also a freestanding out-patient imaging center, offering the same services as DDI (X-Ray/Fluoroscopy is digital), with the addition of Mammography and Bone Density services. RDI also offers invasive procedures such as Ultrasound guided thyroid and breast biopsies.

Danbury Health Care Affiliates, Inc.
Notes to the Financial Statements
(Unaudited)

September 30, 2010

Cartus

DHCA provides medical services to the employees of Cartus.

EMS

Emergency Medical Services provides medical services to the area.

Presentation

The accompanying financial statements were prepared by the Management in accordance with generally accepted accounting principles (GAAP). However the statements have not been subjected to an independent review to determine that GAAP has always been followed.

Revenue

Gross revenue except for other revenue is identified by the DHCA cost center that produces the revenue.

Other revenue represents the fees charged from Emergency Training Resources (ETR) for the costs of providing training classes.

Expenses

Expenses are incurred by the various DHCA cost centers, paid or incurred (services performed) by the Hospital or the Parent Company, Western Connecticut Healthcare, Inc. and recharged to DHCA and the various cost centers. If specific identification is not possible reasonable allocation procedures are followed.

2. Related Party Transactions

Below is a summary of the related party transactions as of September 30, 2010 and 2009.

	2010	2009
Due to Affiliates		
Danbury Hospital	\$ 372,623	\$ 459,032
Development Fund	3,567	-
Danbury Office of Physician Services	(1,424)	
	<u>\$ 374,766</u>	<u>\$ 459,032</u>

3. Fixed Assets

Danbury Health Care Affiliates, Inc.
Notes to the Financial Statements
(Unaudited)

September 30, 2010

Fixed assets are depreciated using the straight-line method of depreciation over the useful life of the asset. Leasehold improvements are depreciated over the expected lease term, furniture and fixtures are depreciated over 10 years, except for draperies, which has a useful life of only 5 years, and computer equipment is depreciated over 3 years with all other equipment being depreciated over 5 years.

	September 30,	
	2010	2009
Major Movables Equipment	\$ 5,732,978	\$ 5,746,301
Data Processing Equipment	1,022,722	1,022,722
Motor Vehicle	18,518	18,518
Equipment OP Radiology Ctr	42,553	42,553
Furniture and Fixtures	54,271	54,271
Leasehold Improvements	3,044,000	2,827,783
	<u>9,915,042</u>	<u>9,712,148</u>
(Less) Accumulated Depreciation	(7,047,677)	(5,713,494)
Net Depreciable Assets	<u>\$ 2,867,365</u>	<u>\$ 3,998,654</u>

5. Net Revenue

Net revenue as of September is as follows:

	September 30,	
	2010	2009
Patient Revenue	\$ 27,392,804	\$ 25,284,687
Allowance Adjustment	(11,956,155)	(11,258,701)
	<u>\$ 15,436,649</u>	<u>\$ 14,025,986</u>

Danbury Health Care Affiliates, Inc.
Notes to the Financial Statements
(Unaudited)

September 30, 2010

6. Purchased Services

Below is a summary of purchased services for the twelve months ended September 2010 and 2009.

	September 30,	
	2010	2009
Medical	\$ 2,283,313	\$ 2,145,895
Affiliated Companies	24,924	61,424
Outside Labs	49,697	55,092
General	48,439	64,054
Non-Medical	275,540	270,096
Transcript	93,067	92,408
Office Clean	30,481	29,006
Security	674	1,059
Waste Disposal	-	1,776
Courier	5,159	4,239
Broker Services	-	-
Collection	516,828	460,827
	<u>\$ 3,328,122</u>	<u>\$ 3,185,876</u>

Attachment K

Proposed NDI Rate Schedule

Source: Current DHCA DDI/RDI Rate List

MAGNETIC RESONANCE IMAGING (MRI)		
<u>Description</u>	<u>CPT Code</u>	<u>Charge</u>
MRI, temporomandibular joint(s)	70336	\$1,490.75
MRI, orbit, face, and neck without contrast	70540	\$1,454.48
with contrast material(s)	70542	\$1,745.60
without contrast material(s), followed by contrast material(s) and further sequences	70543	\$2,016.90
MRA, head; without contrast material(s)	70544	\$1,451.43
with contrast material(s)	70545	\$1,450.33
without contrast material(s), followed by contrast material(s) and further sequences	70546	\$1,794.62
MRA, neck; without contrast material(s)	70547	\$1,450.33
with contrast material(s)	70548	\$1,450.33
without contrast material(s) followed by contrast material(s) and further sequences	70549	\$1,794.62
MRI, brain (including brain stem); without contrast material	70551	\$1,490.75
with contrast material(s)	70552	\$1,788.50
without contrast material, followed by contrast material(s) and further sequences	70553	\$2,061.89
MRI, chest (eg, for evaluation of hilar and mediastinal lymphadenopathy)	71550	\$1,474.88
with contrast material(s)	71551	\$1,766.00
without contrast material(s) followed by contrast material(s) and further sequences	71552	\$2,017.26
MRA, chest (excluding myocardium), with or without contrast material(s)	71555	\$1,536.38
MRI, spinal canal and contents, cervical; without contrast material	72141	\$1,507.03
with contrast material(s)	72142	\$1,808.70
MRI, spinal canal and contents, thoracic; without contrast material	72146	\$1,647.93
with contrast material(s)	72147	\$1,807.60
MRI, spinal canal and contents, lumbar; without contrast material	72148	\$1,631.65
with contrast material(s)	72149	\$1,789.60
MRI, spinal canal and contents, without contrast material, followed by contrast material(s) and further sequences; cervical	72156	\$2,080.89
thoracic	72157	\$2,079.63
lumbar	72158	\$2,061.89
MRI, pelvis; without contrast material(s)	72195	\$1,475.73
with contrast material(s)	72196	\$1,766.00
without contrast material(s) followed by contrast material(s) and further sequences	72197	\$2,030.51
MRA, pelvis, with or without contrast material(s)	72198	\$1,534.28
MRI, upper extremity, other than joint; without contrast material(s)	73218	\$1,454.48
with contrast material(s)	73219	\$1,746.70
without contrast material(s) followed by contrast material(s) and further sequences	73220	\$2,016.90
MRI, any joint of upper extremity; without contrast material(s)	73221	\$1,454.48
with contrast material(s)	73222	\$1,745.60
without contrast material(s) followed by contrast material(s) and further sequences	73223	\$2,016.90
MRI, lower extremity other than joint; without contrast material(s)	73718	\$1,454.48
with contrast material(s)	73719	\$1,745.60
without contrast material(s) followed by contrast material(s) and further sequences	73720	\$2,016.19
MRI, any joint of lower extremity; without contrast material(s)	73721	\$1,454.48
with contrast material(s)	73722	\$1,745.60
without contrast material(s) followed by contrast material(s) and further sequences	73723	\$2,016.90
MRA, lower extremity, with or without contrast material(s)	73725	\$1,537.35

MRI, abdomen; without contrast material(s)	74181	\$1,474.88
with contrast material(s)	74182	\$1,766.00
without contrast material(s) followed by contrast material(s) and further sequences	74183	\$2,030.51
MRA, abdomen, with or without contrast material(s)	74185	\$1,534.28
MRI, breast, without and/or with contrast material(s); unilateral	76093	\$1,455.12
bilateral	76094	\$1,921.90
3D rendering with interpretation and reporting of CT, MRI, ultrasound or other tomographic modality: not requiring image postprocessing on an independent workstation.	76376	\$416.18
requiring image postprocessing on an independent workstation	76377	\$521.10

COMPUTED TOMOGRAPHY (CT)

<u>Description</u>	<u>CPT Code</u>	<u>Charge</u>
CT, head or brain; without contrast material	70450	\$659.75
with contrast material(s)	70460	\$806.05
without contrast material, followed by contrast material(s) and further sections	70470	\$987.58
CT, orbit, sella, or posterior fossa or outer, middle, or inner ear; without contrast material	70480	\$719.40
with contrast material(s)	70481	\$840.45
without contrast material, followed by contrast material(s) and further sections	70482	\$1,012.00
CT, maxillofacial area; without contrast material	70486	\$699.20
with contrast material(s)	70487	\$830.33
without contrast material, followed by contrast material(s) and further sections	70488	\$1,006.83
CT, soft tissue neck; without contrast material	70490	\$719.40
with contrast material(s)	70491	\$840.45
without contrast material, followed by contrast material(s) and further sections	70492	\$1,010.90
CTA, head, without contrast material(s) followed by contrast materials(s) and further sections, including image posting processing	70496	\$1,460.18
CTA, neck, without contrast materials(s) followed by contrast material(s) and further sections, including image post-processing	70498	\$1,460.18
CT, thorax; without contrast material	71250	\$838.50
with contrast material(s)	71260	\$983.53
without contrast material, followed by contrast material(s) and further sections	71270	\$1,205.58
CTA, chest, without contrast material(s) followed by contrast material(s) and further sections, including image post-processing	71275	\$1,664.38
CT, cervical spine, without contrast material	72125	\$838.50
with contrast material(s)	72126	\$979.58
without contrast material, followed by contrast material(s) and further sections	72127	\$1,191.40
CT, thoracic spine; without contrast material	72128	\$838.50
with contrast material	72129	\$980.43
without contrast material, followed by contrast material and further sections	72130	\$1,191.40
CT, lumbar spine, with contrast material	72131	\$838.50
with contrast material	72132	\$979.58
without contrast material, followed by contrast material and further sections	72133	\$1,191.40
CTA, pelvis, without contrast material(s) followed by contrast material(s) and further sections, including image post-processing	72191	\$1,610.78
CT, pelvis; without contrast material	72192	\$829.38
with contrast material	72193	\$945.25
without contrast material, followed by contrast material and further sections	72194	\$1,141.18
CT, upper extremity, without contrast material	73200	\$719.60
with contrast material	73201	\$838.50
without contrast material, followed by contrast material and further sections	73202	\$1,020.70
CTA, upper extremity, without contrast material(s) followed by contrast material(s) and further sections, including image post-processing	73206	\$1,491.78

CT, lower extremity, without contrast material	73700	\$719.60
with contrast material	73701	\$838.50
without contrast material, followed by contrast material and further sections	73702	\$1,019.85
CTA, lower extremity, without contrast material(s) followed by contrast material(s) and further sections, including image post-processing.	73706	\$1,504.83
CT, abdomen; without contrast material	74150	\$814.18
with contrast material	74160	\$961.40
without contrast material, followed by contrast material and further sections	74170	\$1,166.43
CTA, abdomen, without contrast material(s) followed by contrast material(s) and further sections, including image post-processing	74175	\$1,621.88
Computed Tomography; abdomen and pelvis; without contrast material	74176	\$1,232.67
Computed Tomography; abdomen and pelvis; with contrast material(s)	74177	\$1,429.99
Computed tomography; abdomen and pelvis; without contrast material in one or both body regions, followed by contrast material(s) and further sections in one or both body regions	74178	\$1,730.71
CT-Colonography, diagnostic, including image post processing w/out contrast	74261	\$1,223.95
CT-Colonography, diagnostic, including image post processing with contrast	74262	\$1,686.55
3D rendering with interpretation and reporting of CT, MRI, ultrasound or other tomographic modality: not requiring image postprocessing on an independent workstation.	76376	\$416.18
requiring image postprocessing on an independent workstation	76377	\$521.10
CT, limited or localized follow-up study	76380	\$536.60

Financial Attachment I

Danbury Healthcare Associates - NDI CON

Financial Attachment I.

7.a. Provide a summary of revenue, expense, and volume statistics, without the CON project, incremental to the CON project, and with the CON project.

(Dollars are in thousands)

Description	FY 2010 Actual Results	FY 2011 Projected W/out CON	FY 2011 Projected Incremental	FY 2011 Projected With CON	FY 2012 Projected W/out CON	FY 2012 Projected Incremental	FY 2012 Projected With CON	FY 2013 Projected W/out CON	FY 2013 Projected Incremental	FY 2013 Projected With CON	FY 2014 Projected W/out CON	FY 2014 Projected Incremental	FY 2014 Projected With CON
NET PATIENT REVENUE													
Non-Government	8,994	\$9,526	-	\$9,526	\$10,008	1,232	\$11,240	\$10,514	1,425	\$11,939	\$11,046	1,587	\$12,633
Medicare	1,527	1,806	-	1,806	1,345	313	1,658	\$1,385	362	1,748	\$1,427	403	1,830
Medicaid and Other Medical Assistance	19	35	-	35	36	1	38	\$38	2	39	\$39	2	40
Other Government	8	8	-	6	6	2	8	\$8	2	9	\$7	2	9
Total Net Patient Patient Revenue	\$10,548	\$10,873	-	\$10,873	\$11,396	1,549	\$12,945	\$11,944	\$1,791	\$13,735	\$12,519	1,994	\$14,513
Other Operating Revenue	\$5,089	\$5,004	-	\$5,004	\$5,054	-	\$5,054	\$5,104	-	\$5,104	\$5,155	-	\$5,155
Revenue from Operations	\$15,638	\$15,877	-	\$15,877	\$16,449	1,549	\$17,999	\$17,048	1,791	\$18,839	\$17,674	1,994	\$19,668
OPERATING EXPENSES													
Salaries and Fringe Benefits	\$6,596	\$6,994	-	\$6,994	\$7,312	228	\$7,540	\$7,644	282	\$7,926	\$7,992	336	\$8,330
Professional / Contracted Services	517	532	-	532	558	101	659	586	116	703	616	120	745
Supplies and Drugs	2,850	2,944	-	2,944	3,062	55	3,117	3,185	67	3,251	3,312	74	3,386
Bad Debts	244	243	-	243	285	33	317	299	38	336	313	42	355
Other Operating Expense	1,797	1,700	-	1,700	1,768	700	2,468	1,839	770	2,609	1,912	830	2,742
Subtotal	\$12,004	\$12,414	-	\$12,414	\$12,986	1,117	\$14,102	\$13,553	1,272	\$14,825	\$14,145	1,414	\$15,559
Depreciation/Amortization	1,334	1,379	-	1,379	1,385	159	1,544	1,391	159	1,550	1,396	159	1,555
Interest Expense	151	55	-	55	-	74	74	-	66	66	-	50	50
Lease Expense	896	887	-	887	919	175	1,098	941	180	1,121	969	186	1,154
Total Operating Expenses	\$14,386	\$14,734	-	\$14,734	\$15,284	1,525	\$16,809	\$15,864	1,678	\$17,562	\$16,510	1,808	\$18,318
Income (Loss) from Operations	\$1,252	\$1,143	-	\$1,143	\$1,165	24	\$1,190	\$1,164	113	\$1,277	\$1,164	186	\$1,350
Non-Operating Income	\$5	\$2	-	\$2	\$2	-	\$2	\$2	-	\$2	\$2	-	\$2
Income before provision for income taxes	\$1,256	\$1,145	\$0	\$1,145	\$1,168	\$24	\$1,192	\$1,166	\$113	\$1,279	\$1,166	\$186	\$1,352
Provision for income taxes													
Net Income	\$1,256	\$1,145	\$0	\$1,145	\$1,168	\$24	\$1,192	\$1,166	\$113	\$1,279	\$1,166	\$186	\$1,352
Retained earnings, beginning of year		\$1,256	\$1,256	\$1,256	\$2,401	\$1,256	\$2,401	\$3,569	\$1,381	\$3,593	\$4,735	\$1,394	\$4,872
Retained earnings, end of year	\$1,256	\$2,401	\$1,256	\$2,401	\$3,569	\$1,281	\$3,593	\$4,735	\$1,394	\$4,872	\$5,901	\$1,580	\$6,224
FTEs	77.7	77.8	-	77.8	79.0	5.0	84.0	80.2	6.0	86.2	81.4	7.0	88.4
*Volume Statistics:													
MRI	6,554	6,528	-	6,528	6,724	934	7,658	6,926	1,068	7,994	7,133	1,305	8,338
CT Scan	8,814	8,669	-	8,669	8,929	668	9,597	9,197	803	10,000	9,472	954	10,426
Ultrasound	5,592	6,398	-	6,398	6,590	1,080	7,671	6,788	1,151	7,939	6,992	1,237	8,228
Xray	11,538	11,837	-	11,837	12,192	5,025	17,217	12,558	5,956	18,514	12,994	6,202	19,196
Total Procedures	32,498	33,432	-	33,432	34,435	7,708	42,143	35,468	8,979	44,447	36,532	9,596	46,128

Financial Attachment II

Danbury Healthcare Associates - NDI CON
 Financial Attachment II.

7.b. Please provide three years of projections of incremental revenue, expense and volume statistics attributable to the proposal in the following reporting format:

Type of Service Description	Imaging Various Modalities									
Type of Unit Description:	Procedures									
# of Months in Operation	12 months									
FY 2011	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
FY Projected Incremental		Rate	Units	Gross Revenue	Allowances/ Deductions	Charity Care	Bad Debt	Net Revenue	Operating Expenses	Gain/(Loss) from Operations
Total Incremental Expenses:		\$0		Col. 2 * Col. 3				Col. 4 - Col. 5 -Col. 6 - Col. 7	Col. 1 Total *	Col. 8 - Col. 9 Col. 4 / Col. 4 Total
Total Facility by Payer Category:										
Medicare		\$0	\$0	\$0	\$0	-	-	\$0	\$0	\$0
Medicaid		-	-	-	-	-	-	-	-	-
CHAMPUS/Tricare		-	-	-	-	-	-	-	-	-
Total Governmental			0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Insurers		-	-	-	-	-	-	-	-	-
Uninsured		-	-	-	-	-	-	-	-	-
Total NonGovernment			0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total All Payers		\$0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FY 2012	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
FY Projected Incremental		Rate	Units	Gross Revenue	Allowances/ Deductions	Charity Care	Bad Debt	Net Revenue	Operating Expenses	Gain/(Loss) from Operations
Total Incremental Expenses:		\$1,492,098		Col. 2 * Col. 3				Col. 4 - Col. 5 -Col. 6 - Col. 7	Col. 1 Total *	Col. 8 - Col. 9 Col. 4 / Col. 4 Total
Total Facility by Payer Category:										
Medicare		\$407	2,105	855,667	542,183	-	-	\$313,484	\$407,463	(\$93,979)
Medicaid		\$407	9	3,690	2,338	-	-	1,352	1,757	(405)
CHAMPUS/Tricare		407	11	4,428	2,568	-	-	1,860	1,934	(75)
Total Governmental			2,125	\$863,785	\$547,089	\$0	\$0	\$316,696	\$411,154	(\$94,458)
Commercial Insurers		\$407	5,525	2,245,988	1,029,510	-	21,634	1,194,844	1,069,525	125,319
Uninsured		\$407	58	23,615	-	7,939	10,953	4,723	11,245	(6,522)
Total NonGovernment			5,583	\$2,269,602	\$1,029,510	\$7,939	\$32,587	\$1,199,567	\$1,080,770	\$118,797
Total All Payers		\$407	7,708	\$3,133,387	\$1,576,598	\$7,939	\$32,587	\$1,516,263	\$1,491,924	\$24,338

Danbury Healthcare Associates - NDI CON
Financial Attachment II.

FY 2013	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
FY Projected Incremental		Rate	Units	Gross	Allowances/	Charity	Bad	Net	Operating	Gain/(Loss)
Total Incremental Expenses:	\$1,640,060			Revenue	Deductions	Care	Debt	Revenue	Expenses	from Operations
				Col. 2 * Col. 3				Col. 4 - Col. 5	Col. 1 Total *	Col. 8 - Col. 9
Total Facility by Payer Category:								-Col. 6 - Col. 7	Col. 4 / Col. 4 Total	
Medicare		\$404	2,452	990,735	628,599	-	-	\$362,136	\$447,868	(\$85,733)
Medicaid		404	11	4,272	2,711	-	-	1,562	1,931	(370)
CHAMPUS/Tricare		404	13	5,127	2,973	-	-	2,153	2,240	(86)
Total Governmental			2,475	\$1,000,134	\$634,283	\$0	\$0	\$365,851	\$452,039	(\$86,189)
Commercial Insurers		404	6,436	2,600,519	1,194,083	-	24,604	1,381,832	1,175,582	206,250
Uninsured		404	68	27,342	-	8,746	13,128	5,468	12,360	(6,892)
Total NonGovernment			6,504	\$2,627,861	\$1,194,083	\$8,746	\$37,731	\$1,387,301	\$1,187,943	\$199,358
Total All Payers		\$404	8,979	\$3,627,995	\$1,828,366	\$8,746	\$37,731	\$1,753,151	\$1,639,982	\$113,169

FY 2014	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
FY Projected Incremental		Rate	Units	Gross	Allowances/	Charity	Bad	Net	Operating	Gain/(Loss)
Total Incremental Expenses:	\$1,766,095			Revenue	Deductions	Care	Debt	Revenue	Expenses	from Operations
				Col. 2 * Col. 3				Col. 4 - Col. 5	Col. 1 Total *	Col. 8 - Col. 9
Total Facility by Payer Category:								-Col. 6 - Col. 7	Col. 4 / Col. 4 Total	
Medicare		\$421	2,621	1,103,996	700,676	-	-	\$403,320	\$482,286	(\$78,966)
Medicaid		421	11	4,761	3,021	-	-	1,739	2,080	(341)
CHAMPUS/Tricare		421	14	5,713	3,313	-	-	2,399	2,496	(96)
Total Governmental			2,645	\$1,114,469	\$707,010	\$0	\$0	\$407,459	\$486,862	(\$79,403)
Commercial Insurers		421	6,879	2,897,810	1,331,454	-	27,454	1,538,902	1,265,923	272,978
Uninsured		421	72	30,468	-	9,784	14,590	6,094	13,310	(7,217)
Total NonGovernment			6,951	\$2,928,278	\$1,331,454	\$9,784	\$42,045	\$1,544,995	\$1,279,234	\$265,762
Total All Payers		\$421	9,596	\$4,042,748	\$2,038,465	\$9,784	\$42,045	\$1,952,454	\$1,766,095	\$186,359

Danbury Healthcare Associates - NDI CON**Financial Attachment II****7.c. Financial Assumptions**

Net Patient Revenue:		
Without Project:		Determined using historical payment experience with 0% annual increase in govt rates and 2% annual increase in nongovt rates.
With Project:		Determined using historical payment experiences applied to projected volumes at NDI location.
Volume:		
Without Project:		Assumption is based on 3% volume increase per year. No change in payormix.
With Project:		Incremental MRI, CT, DX, Ultrasound volume at NDI site.
Other Operating Revenue:		
Without Project:		Assumes 1% increase annually
With Project:		N/A
Salaries and Fringe Benefits:		
Without Project:		Assumption is based on historic expense combined with FTE increases and inflationary increases approx 3% annually.
With Project:		Incremental expense based on anticipated FTE increases associated with project.
Professional / Contracted Svcs:		
Without Project:		Based on historical expense plus 5% annual inflation increase per year.
With Project:		Incremental expense based on anticipated increase in DRA reading fees.
Supplies and Drugs:		
Without Project:		Assumption is based on historical expenses plus 4% inflation increases per year.
With Project:		Projected using historical actuals applied to incremental volume plus 4% inflation annually.
Bad Debt:		
Without Project:		Assumption is based on 1% of gross revenue consistent annually.
With Project:		Project assumption is based on 1% of gross revenue related to incremental volume.
Other Op Expense:		
Without Project:		Includes a 4% annual increase on expenses annually.
With Project:		Project assumption is based on experience applied to incremental volume (includes overhead i.e. purch svcs, maintenance, other nonsal)
Depreciation:		
Without Project:		Assumption is based on historic annual capital spending.
With Project:		Assumption based on historic NDI depreciation on existing equipment
Interest:		
Without Project:		Based on current interest of existing debt rolled forward annually.
With Project:		Projection assumes repayment of \$1.2M note at 7.25% interest over 5 year.
Lease Expense:		
Without Project:		Includes a 3% annual increase on expenses annually.
With Project:		Projected Rent Expense for NDI location increasing 3% annually.
FTEs:		
Without Project:		Includes annual increase in variable staffing required to support growth combined with continued productivity initiatives currently underway.
With Project:		Incremental staffing increases per year to support incremental volume.